Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA § 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT:

An Order for Disbursement of Escrowed Funds

(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME:

AV-125

TRACT(S): LOCATION: Tracts 2C and a portion of 2D Russell County, Virginia

VGOB-02-0820-1051-01

APPLICANTS:

DOCKET NUMBER:

CNX Production Company on behalf of Stuart Land and cattle Co. of Virginia,

Inc. and Ivellie Stilwell and Frances Dye

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia

March 13 2012 and corrective testimony and exhibits on June 19.

2012

APPEARANCES: Mark Swartz on behalf of CNX and Sharon M. B. Pigeon, Sr. Assistant Attorney General for the Virginia Gas and Oil Board.

PRIOR PROCEEDINGS:

- 1. Original Pooling Order Executed 07/11/03, Recorded 07/14/03, Deed Book 0587
- 2. Supplemental Order Executed 03/122/04, Recorded 03/22/04, Deed Book 0604

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the March 143, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tracts 2C and a portion of Tract 2D identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tracts 2C and a portion of 2D relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Continue the escrow account under this docket number.

FINDINGS:

Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 2C and 2D is Stuart Land and Cattle Co., of Virginia, Inc. for the subject drilling unit.

2. The owner of the gas estate for Tracts 2C is Ivellie Stillwell and Tract 2D is Frances Dye for the subject drilling unit.

RELIEF GRANTED:

		VGOB Approved Disbursement VGOB-02-0820-1051-01 AV-125	Fractional Ownership in Tract	Not Acreage Ownership in Tract	Royally Split Agreement	liscrowed Actes Disbussed	Percent of Escrowed Funds Dishursed
		Table 1 Tract 2C and a portion of Tract 2D					
ltem	Tract_	Disbursement Table			_	. —	
		Total acreage in escrips before disbursement				24.7400	<u> </u>
_			2000				
	2C	Sment Land & Catle C of Va., Inc., Box 147, Rosedale, VA 24280 (Co.	<u>a</u> l)	2.0700	50,0%	1.0350	4.1835%
2	2C	Ivelie G. Stiwell. 399 Mill Creek Rd., Raven. VA 24639 (Oil & Gas)		2.0700	50,0%	1.0350	4.1835%
1	2D	Sumr Land & Cettle C of Va., Inc., Box 147, Rosedale, VA 24280 (Co	1/63	0.0310	50.0%	0.0155	0.0626%
2	2()	Nosh Newberry Heirs (Oll & Gas) Frances Dye, 460 Middle Creek Rd., Cedar Bluff, VA 24509	1/63	0,0310	50.0%	0.0155	0.0626%
<u> </u>	<u> </u>		 			<u> </u>	

- 1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
- 2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this day of and Oil Board.	f
and On Board.	,
	Bulle C Tambol
	Bradley C. Lambert, Chairman
	Virginia Gas and Oil Board
DONE AND PERFORMED this 6th day and Oil Board.	of Tuve, 2012 BY Order of the Virginia Gas
	Riol Cooper
	Rick Cooper, Principal Executive to the Staff
	Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA COUNTY OF RUSSELL)

Diane J. Davis, Notary/Public #174394

My commission expires: 09/30/2013



before the virginia gas and oil board – $74\,\mathrm{y}$ page $04\,\mathrm{G}_{6}$

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL DOCKET NO: VGOB 02-0820-1051-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 2C & 2D (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

HEARING DATE: March 13, 2012

DRILLING UNIT: AV-125

RUSSELL COUNTY, VIRGINIA



MISCELLANEOUS PETITION

- 1. <u>Petitioner and its counsel:</u> Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, WV 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, SWARTZ LAW OFFICES, PLLC., 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
- 2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 2C & 2D as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Stuart Land and Cattle Co. of VA. Inc. and Ivellie Stilwell and Frances Dye
- 3. <u>Legal Authority</u>: Va. Code Ann. § 45.1-361.1 <u>et seq.</u>, 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
 - 4. Type of well(s): Coalbed methane.
- 5. <u>Factual basis for relief requested:</u> Stuart Land and Cattle Co. of VA, Inc. and Ivellie Stilwell and Frances Dye have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.
- 6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC

BY ITS PROFESSIONAL MANAGER

CNX GAS COMPANY LLC, PETITIONER

By: \

Anita D. Duty

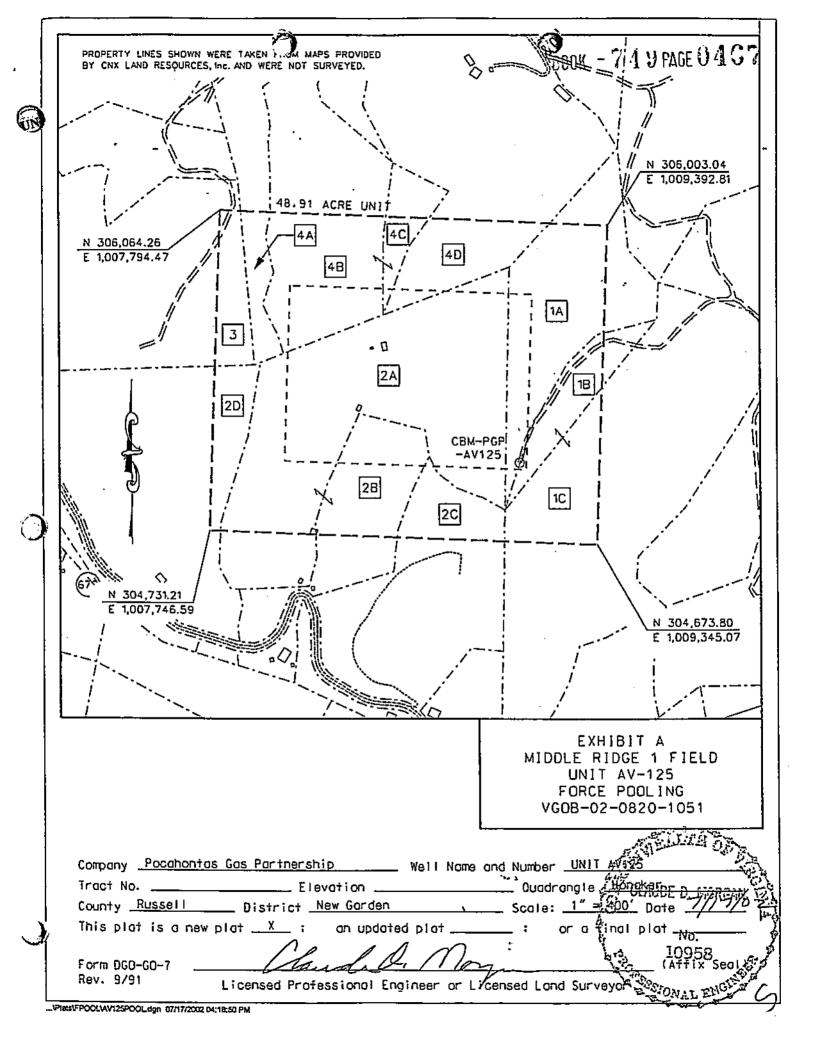
Pooling Supervisor CNX Land Resources, Inc.

2481 John Nash Blvd.

Bluefield, West Virginia 24701

Received

Dan Libanon





POCAHONTAS GAS PARTNERSHIP

UNIT AV-125

Tract Identifications (48.91 Acre Unit)

- Coal Mountain Mining Co. Limited Partnership, L.L.P. Coal, Oil and Gas Reserve Coal Properties Company – Below Drainage Coal Leased Sandy Ridge Energy Corp. – Above Drainage Coal Leased Reserve Coal Properties Company – Oil and Gas Leased Pocahontas Gas Partnership – CBM Leased 11.58 acres 23.6761%
 - 1A. William H. Byrd, et al Surface
 1B. Kyle Reynolds, et ux Surface
 1C. Kyle Reynolds, et ux Surface

16.91 acres

2A. The Stuart Land & Cattle Co. of Virginia, Inc. -- Coal
Reserve Coal Properties Company -- Coal Below Tiller Seam Leased
Knox Creek Coal Corp. -- Coal In Tiller and Above Seams Leased
Pocahontas Gas Partnership -- CBM Leased
Melvin J. R. Stilwell, et ux -- Surface, Oil and Gas
Pocahontas Gas Partnership -- Oil, Gas and CBM Leased

34.5737%

- 2B. The Stuart Land & Cattle Co. of Virginia, Inc. Coal
 Reserve Coal Properties Company Coal Below Tiller Seam Leased
 Knox Creek Coal Corp. Coal In Tiller and Above Seams Leased
 Pocahontas Gas Partnership CBM Leased
 Melvin J. R. Stilwell, et ux Surface, Oil and Gas
 Pocahontas Gas Partnership Oil, Gas and CBM Leased
 3.80 acres
 7.7694%
- 2C. The Stuart Land & Cattle Co. of Virginia, Inc. -- Coal
 Reserve Coal Properties Company -- Coal Below Tiller Seam Leased
 Knox Creek Coal Corp. -- Coal In Tiller and Above Seams Leased
 Pocahontas Gas Partnership -- CBM Leased
 Clarence Stilwell, et ux -- Surface, Oil and Gas
 2.07 acres
 4.2323%
- 2D. The Stuart Land & Cattle Co. of Virginia, Inc. Coal
 Reserve Coal Properties Company Coal Below Tiller Seam Leased
 Knox Creek Coal Corp. Coal In Tiller and Above Seams Leased
 Pocahontas Gas Partnership CBM Leased
 Noah Newberry Heirs Surface, Oil and Gas
 1.95 acres
 3.9869%



POCAHONTAS GAS PARTNERSHIP

UNIT AV-125

Tract Identifications (48.91 Acre Unit)

- 1. Coal Mountain Mining Co. Limited Partnership, L.L.P. - Coal, Oil and Gas Reserve Coal Properties Company - Below Drainage Coal Leased Sandy Ridge Energy Corp. - Above Drainage Coal Leased Reserve Coal Properties Company - Oil and Gas Leased Pocahontas Gas Partnership - CBM Leased 11.58 acres 23.6761%
 - 1A. William H. Byrd, et al - Surface 1B. Kyle Reynolds, et ux - Surface 1C. Kyle Reynolds, et ux - Surface
- 2A. The Stuart Land & Cattle Co. of Virginia, Inc. - Coal Reserve Coal Properties Company - Coal Below Tiller Seam Leased Knox Creek Coal Corp. - Coal In Tiller and Above Seams Leased Pocahontas Gas Partnership - CBM Leased Melvin J. R. Stilwell, et ux - Surface, Oil and Gas

Pocahontas Gas Partnership - Oil, Gas and CBM Leased

16.91 acres 34.5737%

- 2B. The Stuart Land & Cattle Co. of Virginia, Inc. - Coal Reserve Coal Properties Company - Coal Below Tiller Seam Leased Knox Creek Coal Corp. - Coal In Tiller and Above Seams Leased Pocahontas Gas Partnership - CBM Leased Melvin J. R. Stilwell, et ux - Surface, Oil and Gas Pocahontas Gas Partnership - Oil, Gas and CBM Leased 3.80 acres 7.7694%
- 2C. The Stuart Land & Cattle Co. of Virginia, Inc. - Coal Reserve Coal Properties Company - Coal Below Tiller Seam Leased Knox Creek Coal Corp. - Coal In Tiller and Above Seams Leased Pocahontas Gas Partnership - CBM Leased Clarence Stilwell, et ux - Surface, Oil and Gas 2.07 acres 4.2323%
- 2D. The Stuart Land & Cattle Co. of Virginia, Inc. - Coal Reserve Coal Properties Company - Coal Below Tiller Seam Leased Knox Creek Coal Corp. - Coal In Tiller and Above Seams Leased Pocahontas Gas Partnership - CBM Leased Noah Newberry Heirs - Surface, Oil and Gas 1.95 acres 3.9869%



POCAHONTAS GAS PARTNERSHIP

UNIT AV-125

Tract Identifications (48.91 Acre Unit)

- 3. Swords Creek Land Partnership Tr. 21 Coal
 Reserve Coal Properties Company Below Tiller Seam Leased
 Sandy Ridge Energy Company Tiller and Above Coal Leased
 Pocahontas Gas Partnership CBM Gas Leased
 Mary Richardson, et al Surface, Oil and Gas
 Pocahontas Gas Partnership Oil, Gas and CBM Leased
 1.85 acres 3.7825%
- 4. William R. McCall, et al (McCall-Horton Tract)— Coal, Oil and Gas Pocahontas Gas Partnership CBM Leased 10.75 acres 21.9791%
 - 4A. John A. Richardson, et ux Surface
 - 4B. Melvin J. Stillwell, et ux Surface
 - 4C. Melvin J. Stillwell, et ux Surface
 - 4D. William H. Byrd, et al Surface

Exhibit E Unit AV-125 Docket #VGOB 02-0820-1051-01 List of Conflicting Owners/Claimants that require escrow (48.91 Acro Unit)

		Acres in Unit	Interest in Unit
<u>Tract #2A, 16</u>	6.91 acres		
COAL	OWNERSHIP		
(1)	Stuart Land & Cattle Co. of Virginia, Inc. Box 147 Rosedale, VA 24280	16.91 acres	34.5737%
<u>O1L_8</u>	GAS OWNERSHIP		
(1)	Melvin J. R. Stilwell, et ux. Rt.1 Box 314 Raven, VA 24639	16.91 acres	34.5737%
Tract #2B, 3.	80 acres		
COAL	OWNERSHIP		
(1)	Stuart Land & Cattle Co. of Virginia, Inc. Box 147 Rosedale, VA 24280	3.80 acres	7.7694%
<u>O1L 8</u>	GAS_OWNERSHIP		
(1)	Melvin J. R. Stilwell, et ux. Rt.1 Box 314 Raven, VA 24639	3.80 acres	7.7694%
Tract #2D, 1.	<u>95 acres</u>		
COAL	OWNERSHIP		
(1)	Stuart Land & Cattle Co. of Virginia, Inc. Box 147 Rosedale, VA 24280	1.95 acres	3.9869%
OIL 8	GAS OWNERSHIP		
(1)	Noah Newberry Heirs, Devisees, Successors or Assigns	1.95 acres	3.9869%
(a) Hazel Richardson Heirs, Devisees, Successors or Assigns		
	(a.1) Sherman Richardson Heirs, Devisees, Successors or Assigns		
	(a.1.1) Paul E. Richardson 8444 S. County Rd. 350W Stileville, IN 46180-9728	0.0310 acres 1/63 of 1.95 acres	0.0633%
	(a.2) Lundy Richardson Heirs, Devisees, Successors or Assigns		
	(a.2.1) Shelby Ruth Richardson, Widow 1669 Turner Street Clayton, IN 46118	0.0103 acres 1/189 of 11.16 acres	0.0211%
	(a.2.2) Carol Sue Hale 117 Henderson Street Richlands, VA 24641	0,0206 acres 2/189 of 1.95 acres	0.0422%

Exhibit E Unit AV-125

Docket #VGOB 02-0820-1051-01 List of Conflicting Owners/Claimants that require escrow (48.91 Acre Unit)

	Acres în Unit	Interest in Unit
(a.3) Evangeline Blake 1212 Mary Ellen Avenue Chesapeake, VA 23324	0.0310 acres 1/63 of 1.95 acres	0.0633%
(a.5) Leonard Richardson Heirs, Devisees, Successors or Assigns		
(a.5.1) Loretta Mae Richardson PO Box 1282 Honaker, VA 24260	0.0310 acres 1/63 of 1.95 acres	0.0633%
(a.6) Bobby Richardson 2255 Road Ridge Tumpike Raven, VA 24639	0.0310 acres 1/63 of 1.95 acres	0.0633%
(a.7) Larry Richardson P.O. Box 328 North Tazewell, VA 24630	0.0310 acres 1/63 of 1.95 acres	0.0633%
(b) Frazier Newberry Heirs, Devisees, Successors or Assigns		
(b.1) Frances Newberry Heirs, Devisees, Successors or Assigns		
(b.1.1) Steve Allen Shortt P.O. Box 63 Doran, VA 24612	0.2167 acres 1/9 of 1.95 acres	0.4430%
(c) Madeline Vance Heirs, Devisees, Successors or Assigns		
(c.1) Carlos Vance P.O. Box 25 Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(c.2) Leda Jo Lester P.O. Box 400 Doran, VA 24612	0.0361 acres 1/54 of 1.95 acres	0.0738%
(c.3) Mary Sparks 51 Rabbit Hollow Rd. Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(c.4) Carrie Dell Boyd 100 Oxford Square, Apt. 8 Richlands, VA 24641	0.0361 acres 1/54 of 1.95 acres	0.0738%
(c.5) Judy Vance P.O. Box 357 Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(c.6) Cathy Vance P.O. Box 131 Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(d) Sylvia Short Heirs. Devisees, Successors or Assigns		
(d.1) Roger Short P.O. Box 782 Raven, VA 24639	0.0361 acres 1/54 of 1.95 acres	0.0738%

Exhibit E Unit AV-125

Docket #VGOB 02-0820-1051-01 List of Conflicting Owners/Claimants that require escrow (48.91 Acre Unit)

	Acres in Unit	Interest in Unit
(d.2) Linda Sue Berry 623 Crestwood Drive Richlands, VA 24641	0.0361 acres 1/54 of 1.95 acres	0.0738%
(d.3) Carrie Mullins P.O. Box 360 Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(d.4) Connie McFarland P.O. Box 516 Richlands, VA 24641	0.0361 acres 1/54 of 1.95 acres	0.0738%
(d.5) Steve Allen Short P.O. Box 63 Doran, VA 24612	0.0361 acres 1/54 of 1.95 acres	0.0738%
(d.6) Marvin Short Rt.1 Box 647A Swords Creek, VA 24649	0.0361 acres 1/54 of 1.95 acres	0.0738%
(e) Pauline Muse 999 Westover Drive High Point, NC 27265	0.2167 acres 1/9 of 1.95 acres	0.4430%
(f) Junior Newberry P.O. Box 988 Raven, VA 24639	0.2167 acres 1/9 of 1.95 acres	0.4430%
(g) Juanita Byrd Heirs, Devisees, Successors or Assigns		
(g.1) Patricia Vanover P.O. Box 671 Doran, VA 24612	0.0722 acres 1/27 of 1.95 acres	0.1477%
(g.2) Tammy Hardman 526 Dogwood Court High Point, NC 27260	0.0722 acres 1/27 of 1.95 acres	0.1477%
(g.3) Debbie Ann Martin Heirs, Devisees, Successors or Assigns		
(g.3.1) Chad Martin 843 Lake Drive, Balley Lake Ashland, OH 44805	0.0722 acres 1/27 of 1.95 acres	0.1477%
(h) Elbert Newberry Heirs, Devisees, Successors or Assigns		
(h.1) Arlen Newberry Heirs, Devisees, Successors or Assigns		
(h.1.1) Janice Newberry, widow 281 Mill Creek Road Raven, VA 24639	0.0722 acres 1/27 of 1.95 acres	0.1477%
(h.2) Doris Ann Newberry 615 Prater Drive Richlands, VA 24641	0.0722 acres 1/27 of 1.95 acres	0.1477%
(h.3) Dewey Junior Salyers Heirs, Devisees, Successors or Assigns		

Exhibit E Unit AV-125

Docket #VGOB 02-0820-1051-01 List of Conflicting Owners/Claimants that require escrow (48.91 Acre Unit)

	Acres in Unit	Interest in Unit
(h.3.1) Wanda Salyers 19198 Jonesboro Road Abingdon, VA 24211	0.0722 acres 1/27 of 1.95 acres	0.1477%
(i) Jimmy Newberry P.O. Box 361 Doran, VA 24612	0.2167 acres 1/9 of 1.95 acres	0.4430%

Exhibit EE Unit AV-125

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Docket #VGOB 02-0820-1051-01 List of Conflicting Owners/Claimants with Royalty Split Agreements (48.91 Acro Unit)

		Acres in Unit	Interest in Unit	Percent of Escrow
Tract #2C, 2	.07 acres			
COAL	L_OWNERSHIP			
(1)	Stuart Land & Cattle Co. of Virginia, Inc. Box 147 Rosedale, VA 24280	2.07 acres	4.2323%	4.1852%
OIL	& GAS OWNERSHIP			
(1)	Ivellie Stilwell 3399 Mill Creek Road Raven, VA 24639 Previously Clarence Stilwell, et ux.	2.07 acres	4.2323%	4.1852%
<u>Tract #2D, 1</u>	.95 acres			
COAL	L OWNERSHIP			
(1)	Stuart Land & Cattle Co. of Virginia, Inc. Box 147 Rosedale, VA 24280	1.95 acres	3.9869%	0.0626%
<u>Oll i</u>	& GAS OWNERSHIP			
(1)	Noah Newberry Heirs, Devisees, Successors or Assigns	1.95 acres	3.9869%	
(а	Hazel Richardson Heirs, Devisees, Successors or Assigns			
	(a.4) Frances Dye 460 Middle Creek Road Cedar Bluff. VA 24609	0.0310 acres 1/63 of 1.95 acres	0.0633%	0.0626%
Tract #3, 1.8				
COA	L_OWNERSHIP			
(1)	Swords Creek Land Partnership, Tr.21 P.O. Box 29 Tazeweil, VA 24651	1.85 acres	3.7825%	n/a
<u>OIL</u>	& GAS OWNERSHIP			
(1)	Mary Richardson 3921 Mill Creek Road Raven, VA 24639	1.85 acres	3.7825%	n/a

Exhibit A-1 Tract-by-Tract Escrow Calculation Account Balances as of 12/31/11

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Unit AV-125 VGOB 02-0820-1051-01 Acres Escrowed: 24.730000

Owners	Tract #	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$54,350.78
Stuart Land and Cattle- Coal	<u></u>				4.1852%	\$2,274.69
lvellie G. Stilwell - O&G		2.07			4.1852%	\$2,2 <u>74.69</u>
Stuart Land & Cattle Co. of VA, I			<u> </u>		0.0626%	\$34.01
Noah Newberry Heirs - O&G	<u>2D</u>	1.95				
Frances Dye	i i	<u> </u>	0.0310	1/63	0.0626%	<u>\$34.01</u>

Wells contributing to the escrow account:

AV125

Received
FEB 2012
DGO-Lebanor

1201363

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL presented in said office, and upon the certificate of acknowledgment thereto a proposed by Sec. 58.1-802.	COUNTY,
payment of \$tax Imposed by Sec. 58.1-802.	TESTE: ANN S. MCREYNOLDS, CLERK
Outries Instrumed this date to: Dinia Davis	BY: Windin Code D. CLERK

4